

CITY OF SAN DIEGO, CALIFORNIA
COUNCIL POLICY

CURRENT

SUBJECT: GAS TAX FUNDS - USE OF
POLICY NO.: 200-02
EFFECTIVE DATE: July 18, 1974

BACKGROUND:

The 1970 session of the State Legislature amended legislation pertaining to taxation and the allocation of gasoline taxes and commercial vehicle registration fees to remove restrictions on the amount of gas tax funds which cities may spend for maintenance of streets. The Streets and Highways Code now provides that money apportioned under Section 2106 may be expended for right of way acquisition, construction or maintenance of the Select Street System, including the installation and maintenance of street landscaping on the Select System, and that money apportioned under Section 2107 may be expended for similar purposes but on any City street. Prior to this change, Section 2106 funds could not be spent for maintenance and only 60% of Section 2107 funds could be utilized for maintenance. No change was made in the use of funds apportioned under Section 2107.5.

Other governmental agencies which are not eligible for allocation of gas tax funds occasionally encounter responsibilities for street improvement costs in accordance with Council Policy No. 200-01 because of their status as property owners. At the same time, some such agencies are unable to finance these improvements because of limitations on their taxing powers and/or failure of the voters to pass tax override and bond proposals. This situation presents a particular problem with respect to school property where the very nature of the activity demands that street improvements be installed in advance of the use of any parcel of property for educational purposes.

POLICY:

It is the policy of the City Council that:

1. Of the monies apportioned under Section 2106 of the California Streets and Highways Code (1.04¢ funds):
 - a. 80% be used for right of way acquisition and construction on Select System streets.
 - b. 15% be used for maintenance on Select System streets.
 - c. 5% be used for landscaping maintenance on Select System streets.
2. Of the monies apportioned under Section 2107 (.725¢ funds):
 - a. 10% be used for acquisition of right of way and construction on any City street.
 - b. The remaining 90% be used for maintenance on the City street system.
3. Monies received under Section 2107.5 (the \$20,000 annual allocation for engineering and administration expenses) be used for studies in connection with City streets.

4. City Gas Tax Funds may be used to pay the share of street improvement costs apportioned under Council Policy No. 200-01 to another governmental agency not eligible to receive gas tax allocations provided that:
 - a. The City Engineer finds that there is an immediate need for the installation of such improvements and so recommends.
 - b. The other governmental agency demonstrates to the satisfaction of the City Council that they do not have funds available to pay for such improvements and cannot anticipate the receipt of funds for this purpose within a reasonable period of time.

HISTORY:

Adopted by Resolution R-179166 03/03/1964
Amended by Resolution R-184470 08/03/1965
Amended by Resolution R-205454 04/27/1972
Amended by Resolution R-207350 02/08/1973
Amended by Resolution R-211124 07/18/1974